employee; the issuance, renewal, suspension, or revocation of a security clearance; the execution of a security or suitability investigation; the letting of a contract; or the issuance of a license, grant or other benefit by the requesting agency.

(5) To an authorized appeal grievance examiner, formal complaints manager, equal employment opportunity investigator, arbitrator, or other duly authorized official engaged in investigation or settlement of a grievance, complaint, or appeal filed by an employee, only to the extent that the information is relevant and necessary to the case or matter.

(6) To OPM in accordance with the agency's responsibilities for evaluation and oversight of federal personnel management.

(7) To officers and employees of a federal agency for the purpose of conducting an audit, but only to the extent that the record is relevant and necessary to this purpose.

(8) To OMB in connection with the review of private relief legislation at any stage of the legislative coordination and clearance process, as set forth in Circular No. A–19.

(9) To a Member of Congress or to a person on his or her staff acting on the Member's behalf when a written request is made on behalf and at the behest of the individual who is the subject of the record.

(10) To the National Archives and Records Administration (NARA) for records management inspections and such other purposes conducted under the authority of 44 U.S.C. 2904 and 2906.

(11) To appropriate agencies, entities, and persons when: (a) OSHRC suspects or has confirmed that there has been a breach of the system of records; (b) OSHRC has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, OSHRC, the Federal Government, or national security; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with OSHRC's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

(12) To NARA, Office of Government Information Services (OGIS), to the extent necessary to fulfill its responsibilities in 5 U.S.C. 552(h), to review administrative agency policies, procedures and compliance with FOIA, and to facilitate OGIS' offering of mediation services to resolve disputes between persons making FOIA requests and administrative agencies.

(13) To another federal agency or federal entity, when OSHRC determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (a) responding to a suspected or confirmed breach or (b) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Records are stored on paper in locked file cabinets.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

Records are retrieved by an individual's name.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Office access card records are retained and disposed of in accordance with NARA's General Records Schedule 5.6, Item 21. However, paper copies of personnel security records from OPM are shredded once an employee, contractor, or Commission member no longer works at OSHRC.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Records are maintained in a locked file cabinet. Access to the cabinet is limited to personnel having a need for access to perform their official functions.

RECORD ACCESS PROCEDURES:

Individuals who wish to gain access to their records should notify: Privacy Officer, OSHRC, 1120 20th Street NW, Ninth Floor, Washington, DC 20036–3457. For an explanation on how such requests should be drafted, refer to 29 CFR 2400.6 (procedures for requesting records).

CONTESTING RECORD PROCEDURES:

Individuals who wish to contest their records should notify: Privacy Officer, OSHRC, 1120 20th Street NW, Ninth Floor, Washington, DC 20036–3457. For an explanation on the specific procedures for contesting the contents of a record, refer to 29 CFR 2400.8 (Procedures for requesting amendment), and 29 CFR 2400.9 (Procedures for appealing).

NOTIFICATION PROCEDURES:

Individuals interested in inquiring about their records should notify: Privacy Officer, OSHRC, 1120 20th Street NW, Ninth Floor, Washington, DC 20036–3457. For an explanation on how such requests should be drafted, refer to 29 CFR 2400.5 (notification), and 29 CFR 2400.6 (procedures for requesting records).

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY:

April 14, 2006, 71 FR 19556; August 4, 2008, 73 FR 45256; October 5, 2015, 80 FR 60182; and September 28, 2017, 82 FR 45324.

Dated: October 11, 2018.

Nadine N. Mancini,

General Counsel, Senior Agency Official for Privacy.

[FR Doc. 2018–22677 Filed 10–17–18; 8:45 am]

BILLING CODE 7600–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84420; File No. SR–NYSE–2018–46]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change To Amend the Listed Company Manual for Acquisition Companies To Reduce the Continued Listing Standards for Public Holders From 300 to 100 and To Enable the Exchange To Exercise Discretion To Allow Acquisition Companies a Reasonable Time Period Following a Business Combination To Demonstrate Compliance With the Applicable Quantitative Listing Standards

October 12, 2018.

Pursuant to Section 19(b)(1) [1] of the Securities Exchange Act of 1934 (''Act'') [2] and Rule 19b–4 thereunder,[3] notice is hereby given that, on October 1, 2018, New York Stock Exchange LLC (''NYSE'' or ''Exchange'') filed with the Securities and Exchange Commission ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to proposes to amend the Listed Company Manual (the

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

''Manual'') to revise its continued listing standards for Acquisition Companies..[sic] The proposed rule change is available on the Exchange's website at *www.nyse.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

Section 102.06 of the Manual sets forth initial listing requirements applicable to a company whose business plan is to complete an initial public offering and engage in a merger or acquisition with one or more unidentified companies within a specific period of time (an ''Acquisition Company'' or ''AC'').[4] Section 102.06 requires, in part, that an Acquisition Company: (i) Deposit into and retain in an escrow account at least 90% of the gross proceeds of its initial public offering through the date of its Business Combination; (ii) complete the Business Combination within 36 months of the effectiveness of the IPO registration statement; and (iii) provide the public shareholders who object to the Business Combination with the right to convert their common stock into a pro rata share of the funds held in escrow.[5] Following the Business Combination, the combined company must meet the Exchange's requirements for initial listing.

Section 802.01B of the Manual sets forth the continued listing standards for ACs. The Exchange proposes to change its initial and continued listing standards for Acquisition Companies as follows:

- Reduce the 300 total [sic] holders continued listing requirement to 100 total [sic] holders.
- Amend the rule text in Section 802.01B to enable the Exchange to exercise discretion to allow companies a reasonable period of time following the Business Combination to demonstrate compliance with all applicable quantitative listing standards.

Proposal To Reduce Continued Listing Requirement With Respect to Number of Holders

Acquisition Companies often have difficulty demonstrating compliance with the 300 total [sic] shareholder requirement for continued listing. The shareholder requirement is designed to help ensure that a security has a sufficient number of investors to provide a liquid trading market.[6] Based on conversations with marketplace participants, including the sponsors of Acquisition Companies and lawyers and bankers that advise these companies, the Exchange believes that the difficulties Acquisition Companies have in demonstrating compliance with the shareholder requirement are due to intrinsic features of Acquisition Companies, which limit the number of retail investors interested in the vehicle and encourage owners to hold their shares until a transaction is announced, which can be as long as three years after the initial public offering. These same intrinsic features of Acquisition Companies also limit the benefit to investors of a shareholder requirement.

In addition, because the price of an Acquisition Company is based primarily on the value of the funds it holds in trust, and the Acquisition Company's shareholders have the right to redeem their shares for a pro rata share of that trust in conjunction with the Business Combination, the impact of the number of shareholders on an Acquisition Company security's price is less relevant than is the case for operating company common stocks. For this reason, Acquisition Companies, historically, trade close to the value in the trust, even when they have had few shareholders. These trading patterns suggest that Acquisition Companies' low number of shareholders has not resulted in distorted prices.

The Exchange believes that an Exchange Traded Fund (''ETF'') is somewhat similar to an Acquisition Company in this regard in that an arbitrage mechanism keeps the ETF's price close to the value of its underlying securities, even when trading in the ETF's shares is relatively illiquid. The initial listing requirements for ETFs do not include a shareholder requirement and only 50 shareholders are required for continued listing after the ETF has been listed for one year.

Accordingly, given the short life of an Acquisition Company, the trading characteristics of Acquisition Companies, and the requirement to meet the initial listing standards at the time of the Business Combination, the Exchange proposes to reduce from 300 holders to 100 holders the minimum total number of [sic] holders required on a continued listing basis for Acquisition Companies.[7]

Period for Company To Demonstrate That It Satisfies Initial Listing Requirements

Section 802.01B of the Manual currently states that:

After consummation of its Business Combination, a company that had originally listed as an AC will be subject to Section 801 and Section 802.01 in its entirety and will be required immediately upon consummation of the Business Combination to meet the following requirements:

(i) A price per share of at least $4.00;

(ii) a global market capitalization of at least $150,000,000;

(iii) an aggregate market value of publicly-held shares of at least $40,000,000 *; and

(iv) the requirements with respect to shareholders and publicly-held shares set forth in Section 102.01A for companies listing in connection with an initial public offering.[8]

* Shares held by directors, officers, or their immediate families and other concentrated holding of 10 percent or more are excluded in calculating the number of publicly-held shares.

Section 802.01B also provides that an Acquisition Company failing to meet these requirements will be promptly subject to suspension and delisting proceedings.

The Exchange notes that it can be difficult for a company, once listed, to obtain evidence demonstrating the number of its shareholders because

[4] Section 102.06 provides that an Acquisition Company must complete one or more business combinations having an aggregate fair market value of at least 80% of the value of the deposit account (the ''Business Combination'') within 36 months of the effectiveness of its IPO registration statement.

[5] Section 102.06 also requires that each proposed business combination be approved by a majority of the company's independent directors.

[6] *See, e.g.,* Rocky Mountain Power Company, Securities Exchange Act Release No, 40648 (November 9, 1998) (text at footnote 11).

[7] The Exchange notes that any Acquisition Company listed on the NYSE will be allocated to a Designated Market Maker. As a result, the Exchange does not expect that the proposed change will result in illiquidity or other problems trading the securities of Acquisition Companies.

[8] The applicable requirement is 400 holders of round lots (*i.e.,* 100 shares).

many accounts are held in street name and shareholders may object to being identified to the company. As a result, companies must seek information from broker-dealers and from third-parties that distribute information such as proxy materials for the broker-dealers. This process is especially burdensome for Acquisition Companies at the time of their Business Combinations, because Acquisition Company shareholders typically have the right to request redemption of their securities until immediately before consummation and it is therefore impracticable for companies to identify the number of round-lot holders immediately to demonstrate their qualification for initial listing.

The Exchange proposes to amend Section 802.01B to provide that ''[f]*ollowing* consummation of its Business Combination, a company that had originally listed as an [Acquisition Company] will be subject to'' the quantitative listing standards set forth above. This change is consistent with rule text in Nasdaq's IM–5101–2 and is intended in particular to address the delays described above associated with obtaining information about the number of shareholders holding shares in ''street name'' accounts. By amending Section 802.01B, an Acquisition Company would not need to meet the shareholder distribution requirements immediately upon consummation of it Business Combination, but may do so at some point following closing of that transaction. The purpose of the proposed amendment is to allow the Exchange to exercise discretion to allow companies a reasonable period of time following the Business Combination to demonstrate compliance with the applicable quantitative listing standards, including the shareholders requirement. If the company is unable to demonstrate that it meets the applicable quantitative requirements after such reasonable time period, the Exchange would commence delisting proceedings and immediately suspend trading in the company's securities.

These proposed changes will be effective upon approval of this rule by the Commission.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Exchange Act,[9] in general, and furthers the objectives of Section 6(b)(5) of the Exchange Act,[10] in particular in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. While the change would allow Acquisition Companies to maintain their continued listing status with fewer shareholders, this proposed change is consistent with the investor protection provisions of the Act because other protections help assure that market prices will not be distorted by any potential resulting lack of liquidity, which is the underlying purpose of the shareholder requirement. In particular, the ability of a shareholder to redeem shares for a pro rata share of the trust helps assure that the Acquisition Company will trade close to the value of the assets held in trust.

Thus, this change will remove impediments to and perfect the mechanism of a free and open market by removing listing requirements that prohibit certain companies from remaining listed without any concomitant investor protection benefits.

The proposal to allow Acquisition Companies to demonstrate that they meet the applicable quantitative requirements following a Business Combination is intended in particular to address the difficulty companies have in identifying the number of holders they have immediately upon consummation of their Business Combination. Acquisition Company shareholders typically have the right to request redemption of their securities until immediately before consummation and it is therefore impracticable for companies to identify the number of round-lot holders immediately to demonstrate their qualification for initial listing. This proposed change is consistent with the protection of investors and the public interest, as it does not alter the substantive quantitative requirements a company must meet to remain listed.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The purpose of the proposed rule is to adopt continued listing standards for Acquisition Companies that better reflect the characteristics and trading market for Acquisition Companies. While the rule may permit more Acquisition Companies to list, or remain listed, on the Exchange, other exchanges could adopt similar rules to compete for such listings. As such, the Exchange does not believe it imposes any burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve or disapprove the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–NYSE–2018–46 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to File Number SR–NYSE–2018–46. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (*http://www.sec.gov/rules/sro.shtml*). Copies of the

[9] 15 U.S.C. 78f(b).

[10] 15 U.S.C. 78f(b)(5).

submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NYSE–2018–46 and should be submitted on or before November 8, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[11]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22682 Filed 10–17–18; 8:45 am]

BILLING CODE 8011–01–P

[11] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84418; File No. SR–FINRA–2018–026]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Order Approving a Proposed Rule Change To Amend the Arbitrator Payment Rule To Pay Each Arbitrator a $200 Honorarium To Decide Without a Hearing Session a Contested Subpoena Request or a Contested Order for Production or Appearance

October 12, 2018.

I. Introduction

On July 13, 2018, Financial Industry Regulatory Authority, Inc. (''FINRA'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Exchange Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend FINRA Rule 12214(c) of the Code of Arbitration Procedure for Customer Disputes (''Customer Code'') and FINRA Rule 13214(c) through (e) of the Code of Arbitration Procedure for Industry Disputes (''Industry Code'' and together, ''Codes''), to provide that FINRA will pay each arbitrator a $200 honorarium to decide without a hearing session a contested subpoena request or a contested order for production or appearance.

The proposed rule change was published for comment in the **Federal Register** on July 30, 2018.[3] The public comment period closed on August 20, 2018. The Commission received four comment letters in response to the Notice, all supporting the proposed rule change.[4] On October 5, 2018, FINRA responded to the comment letters received in response to the Notice.[5] On August 23, 2018, FINRA extended the time period in which the Commission must approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change to October 26, 2018.[6] This order approves the proposed rule change.

II. Description of the Proposed Rule Change[7]

Background

Parties to an arbitration typically exchange documents and information with each other to prepare for the arbitration through the discovery process.[8] If one party objects to a discovery request, the party seeking the documents or information, or appearance may file a motion requesting that the arbitrator issue a subpoena[9] or an order compelling discovery.[10] The opposing party may oppose the filing party's motion, contesting the request for a subpoena[11] or order compelling discovery.

Subpoena for Appearance

Currently, under FINRA Rule 12214(d),[12] each arbitrator who decides one or more contested subpoenas without a hearing session receives a one-time honorarium of $250 during the life of the arbitration case.[13] The rule caps the total amount that the parties could pay the arbitrators to decide contested subpoena requests without a hearing in any one case at $750.[14] The panel allocates the cost of the honorarium to the parties in the award.[15] Arbitrators do not receive an honorarium for deciding unopposed requests to issue a subpoena.[16]

Order for Production or Appearance

The Codes do not expressly provide an honorarium for arbitrators who decide requests for orders for production or appearance without a hearing session. FINRA does, however, provide arbitrators a $200 honorarium to decide discovery-related motions without a hearing. [17] Accordingly, FINRA categorizes requests to issue orders for production as discovery-related motions and pays $200 honorarium for each arbitrator deciding

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Exchange Act Release No. 83699 (Jul. 24, 2018), 83 FR 36647 (Jul. 30, 2018) (File No. SR–FINRA–2018–026) (''Notice'').

[4] *See* Letter from Steven B. Caruso, Maddox Hargett Caruso, P.C., dated July 25, 2018 (''Caruso Letter''); letter from Ryan K. Bakhtiari, Aidikoff, Uhl and Bakhtiari, dated July 31, 2018 (''Bakhtiari Letter''); letter from Glenn S. Gitomer, McCausland, Keen and Buckman, dated August 1, 2018 (''Gitomer Letter''); and letter from Andrew Stoltmann, President, Public Investors Arbitration Bar Association (''PIABA''), dated August 15, 2018 (''PIABA Letter''). Comment letters are available on the Commission's website at *https://www.sec.gov.*

[5] *See* Letter from Mignon McLemore, Assistant Chief Counsel, FINRA, to Mr. Brent J. Fields, Secretary, U.S. Securities and Exchange Commission, dated October 5, 2018 (''FINRA Letter''). The FINRA Letter is available on FINRA's website at *http://www.finra.org,* at the principal office of FINRA, at the Commission's website at *http://www.finra.org/sites/default/files/rule_filing_file/SR-FINRA-2018-026-response-to-comments.pdf,* and at the Commission's Public Reference Room.

[6] *See* Letter from Mignon McLemore, Assistant Chief Counsel, FINRA, to Lourdes Gonzalez, Assistant Chief Counsel—Sales Practices, Division of Trading and Markets, Securities and Exchange Commission, dated August 23, 2018.

[7] The subsequent description of the proposed rule change is substantially excerpted from FINRA's description in the Notice. *See* Notice, 83 FR at 36648–36649.

[8] *See* FINRA Rules 12505 and 13505.

[9] *See* FINRA Rules 12512 and 13512.

[10] *See* FINRA Rules 12513 and 13513.

[11] *See* FINRA Rules 12512(c) and 13512(c).

[12] *See also* FINRA Rule 13214(d).

[13] *See* FINRA Rules 12214(d)(1) and 13214(d)(1). If a hearing session is required to decide the motion, each arbitrator who participates in the hearing session will receive a $300 honorarium instead. *See* FINRA Rules 12214(a) and 13214(a).

[14] *See* FINRA Rules 12214(d)(1) and 13214(d)(1). The chairperson of a three-person panel will decide the contested subpoena request without a hearing session, for which the chairperson would be paid $250. The honorarium for contested subpoena requests could increase in $250 increments, if, for example, the chairperson recuses or withdraws from the panel and the replacement chairperson must decide another contested subpoena request without a hearing session. In this instance, the replacement chairperson would receive a $250 honorarium for this work. In no event would the parties be charged more than $750 per case. *See* Notice at 36648, note 14.

[15] *See* FINRA Rules 12214(d)(3) and 13214(d)(3).

[16] *See* Notice at 36648.

[17] FINRA Rules 12214(c) and 13214(c) provide that FINRA will pay each arbitrator an honorarium of $200 to decide a discovery-related motion without a hearing session.